

10 Tips to Developing an Effective Chapter Budget

1. **Begin with the End in Mind!** Always look at what your chapter is planning to do for the year and base your budget around those expenses. Recruitment activities, Formals, Homecoming...even the smallest of items like office supplies should all be included.
2. **Think Nationally!** Include items that your (inter)national headquarters will be asking for at the beginning or later on in the year. Insurance is a great example!
3. **Overestimate!** Expenses can quickly go beyond what you were hoping. A good rule of thumb? Add in 5% to 10% onto the estimated cost when developing the budget.
4. **Seek Advice!** The chapter treasurer can only think of so many things to put in the budget, and it is easy to get overwhelmed with too many items! Consult with your executive committee and advisors to see if you are missing any important items that are necessary.
5. **Do Your Research!** Looking into what things may cost you when you are developing your budget will save alot of headaches later on. It can also help you find a better price, and maybe save your members a little money!
6. **Party on your Own Time!** One of the cardinal sins of making any fraternity or sorority budget is putting in funds for socials. It is totally fine to allocate money for frills and other positive things for your chapter members, but NEVER put in money for alcohol or other items – things that like can land you in hot water!
7. **Info Share!** Let your members review the budget before it becomes final. Remember – it's not your money...it's the chapter's money! Members who are educated on where their money is going are much more likely to approve of changes to the budget later on when needed.
8. **Save Some for a Rainy Day!** You can never predict what other things may come up during the year that may require additional money from your budget. Always keep between 5% and 10% of your budget in the "other expenses" category. And if you don't need it – pay it forward to the next year!

9. **Don't Spend it All in One Place!** Speaking of pay it forward, always do your best to leave funds at the end of the year to carry over. You never know when something may happen that money is needed before your chapter dues are collected!

10. **Ask The Big Guys (or Girls)!** (Inter)national headquarters staff may have rules and regulations on how and why money may be spent. Before the budget is developed and approved, always seek the advice for your (I)HQ staff to determine what stipulations they may have and how to work around these in your budget development process.